

CAPE LITHIUM CORP. (Formerly Known as Moonbound Mining Ltd.)

Amended and Restated Condensed Interim Financial Statements
For the six months ended October 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars)

AMENDMENT AND RESTATEMENT

The condensed interim financial statements for the six months ended October 31, 2023, and 2022, originally filed on SEDAR+ on December 28, 2023, have been revised and refiled to correct financial information for the period ended October 31, 2023. Subsequent to the period ended October 31, 2023, the Company identified that the valuation of its equity investment in Strathmore Claims was understated. Amounts advanced for property acquisition should have been reclassified as an equity investment in Strathmore Claims. This adjustment has also resulted in an increase in share capital and reserves for the warrants and finder's warrants issued in relation to the assignment of the Memorandum of Understanding. Further details of these changes are provided in Note 12 of the financial statements.

NOTICE OF NO AUDITOR REVIEW
OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the unaudited condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying amended and restated unaudited condensed interim financial statements of Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.) (the "Company") have been prepared by and are the responsibility of the Company's management. These amended and restated unaudited condensed interim financial statements as at October 31, 2023 and for the six months then ended are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

The Company's independent auditor has not performed a review of these amended and restated condensed interim financial statements.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Amended and Restated Condensed Interim Statements of Financial Position
(Unaudited – expressed in Canadian Dollars)

As at	(Restated – Note 12) October 31, 2023 (unaudited)	April 30, 2023 (audited)
ASSETS		
Current assets		
Cash	\$ 64,278	\$ 550,558
GST receivable	8,943	4,579
Deposit (Note 5)	100,000	-
	173,221	555,137
Non-current assets		
Exploration and evaluation asset (Note 4)	70,000	70,000
Equity investment in Strathmore Claims (Note 5)	5,191,337	-
	5,261,337	70,000
Total assets	\$ 5,434,558	\$ 625,137
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 104,125	\$ 56,024
Total liabilities	104,125	56,024
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	3,805,654	758,154
Reserves	2,143,837	-
Deficit	(619,058)	(189,041)
Total shareholders' equity	5,330,433	569,113
Total liabilities and shareholders' equity	\$ 5,434,558	\$ 625,137

Nature and Continuance of Operations (Note 1)
Subsequent Events (Note 11)

These amended and restated condensed interim financial statements were approved for issue by the Board of Directors on October 7, 2024 and signed on its behalf by:

"James Lumley" Director
James Lumley

"David Eaton" Director
David Eaton

The accompanying notes are an integral part of these condensed interim financial statements.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Condensed Interim Statements of Comprehensive Loss
(Unaudited - expressed in Canadian Dollars)

	Three Months Ended October 31, 2023	Three Months Ended October 31, 2022	Six months ended October 31, 2023	Six months ended October 31, 2022
Expenses				
Administration and accounting (Note 9)	\$ 1,631	\$ -	\$ 9,166	\$ -
Auditor fees	8,000	7,300	17,263	7,300
Consulting fees (Note 9)	39,570	5,000	89,570	8,000
Exploration and evaluation (Note 5)	188,919	-	257,787	-
Filing fees	2,469	4,000	7,944	4,000
Interest expenses	-	603	-	603
Investor and communications	1,660	-	6,308	-
Legal fees	16,241	11,113	37,963	11,113
Office and administration	1,720	-	1,720	500
Transfer agent and related	952	-	2,296	-
Loss and comprehensive loss for the period	\$ 261,162	\$ 28,016	\$ 430,017	\$ 31,516
Basic and diluted loss per common share	\$ (0.01)	\$ (0.00)	\$ (0.02)	\$ (0.00)
Weighted average number of common shares outstanding – basic and diluted	23,145,540	7,635,000	19,192,739	7,616,803

The accompanying notes are an integral part of these condensed interim financial statements.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Amended and Restated Statements of Changes in Shareholders' Equity
For the six months ended October 31, 2023 and 2022
(Unaudited - expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserves	Deficit	Total
Balance, April 30, 2022	7,450,000	\$ 338,750	\$ -	\$ (63,077)	\$ 275,673
Private placements	185,000	18,500	-	-	18,500
Special warrants	-	-	30,200	-	30,200
Special warrants issuance costs	-	-	(2,628)	-	(2,628)
Loss and comprehensive loss for the period	-	-	-	(31,516)	(31,516)
Balance, October 31, 2022	7,635,000	357,250	27,572	(94,593)	290,229
Balance, April 30, 2023	15,282,903	\$ 758,154	\$ -	\$ (189,041)	\$ 569,113
Shares issued for the assignment of Memorandum of Understanding	13,250,000	3,047,500	-	-	3,047,500
Warrants issued for the assignment of Memorandum of Understanding	-	-	1,941,588	-	1,941,588
Finder's warrants issued for the assignment of Memorandum of Understanding	-	-	202,249	-	202,249
Loss and comprehensive loss for the period	-	-	-	(430,017)	(430,017)
Balance, October 31, 2023 (Restated – Note 12)	28,532,903	\$ 3,805,654	\$ 2,143,837	\$ (619,058)	\$ 5,330,433

The accompanying notes are an integral part of these condensed interim financial statements.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Condensed Interim Statements of Cash Flows
(Unaudited - expressed in Canadian Dollars)

	Six Months Ended October 31, 2023	Six Months Ended October 31, 2022
CASH FLOWS PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Loss for the period	\$ (430,017)	\$ (31,516)
Change in non-cash working capital items		
Accounts payable and accrued liabilities	48,101	26,043
Due to a related party	-	(2,500)
GST receivable	(4,364)	608
Deposit	(100,000)	-
Net cash used in operating activities	(486,280)	(7,365)
FINANCING ACTIVITIES		
Demand Loan	-	80,000
Proceeds from private placements, net of issuance cost	-	18,500
Issuance of special warrants, net of issuance cost	-	27,572
Net cash provided by financing activities	-	126,072
(Decrease) Increase in cash for the period	(486,280)	118,707
Cash, beginning of period	550,558	216,958
Cash, end of period	\$ 64,278	\$ 335,665
Supplemental cash flow information		
Cash paid for interest during the period	\$ -	\$ 603
Non-cash transactions: (Restated – Note 12)		
Fair value of shares issued for equity investment in Strathmore Claims	2,760,000	-
Fair value of warrants issued for equity investment in Strathmore Claims	1,941,588	-
Fair value of finder's shares issued for equity investment in Strathmore Claims	287,500	-
Fair value of finder's warrants issued for equity investment in Strathmore Claims	202,249	-

The accompanying notes are an integral part of these condensed interim financial statements.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Financial Statements
For the six months ended October 31, 2023 and 2022
(Unaudited - expressed in Canadian Dollars)

1. Nature of Operations and Going Concern

Nature of Operations

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.) (the "Company") was incorporated under the British Columbia Business Corporations Act on July 30, 2021 and listed on the Canadian Securities Exchange. The Company is engaged in the acquisition, evaluation and development of mineral properties, principally in the Americas and south African. The Company is listed on the Canadian Securities Exchange under the symbol "MML". The Company's head office address is 2250 – 1055 West Hastings Street, Vancouver, British Columbia V6E 3V7. The registered and records office address is 2501 - 550 Burrard Street, Vancouver, BC, V6C 2B5.

Going Concern

At October 31, 2023, the Company had not yet achieved profitable operations, had an accumulated deficiency of \$619,058 (April 30, 2023: \$189,041) since its inception and had a working capital of \$69,096 (April 30, 2023 –\$499,133), and expects to incur further losses in the development of its business. The Company is in the process of exploring and evaluating its mineral properties. On the basis of information to date, it has not yet determined whether those properties contain economically recoverable mineral deposits. The business of mining and exploration involves a high degree of risk and there can be no assurances that the Company's exploration programs will result in profitable mining operations. The Company's ability to continue as a going concern is dependent on obtaining continued financial support, completing public equity financing or generating profitable operations in the future. Management is committed to raising additional capital to meet its exploration and operating obligation; however, additional equity financing is subject to the global financial markets and economic conditions, which have recently been disrupted and are volatile, and the debt and equity markets, which are distressed. All of these factors, together with the current unstable economic conditions, indicate the existence of material uncertainties related to events or conditions that cast significant doubt as to whether the Company can continue as a going concern and; therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. These financial statements do not give effect to any adjustments that would be necessary should the Company be unable to continue as a going concern, and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements. Such adjustments could be material.

2. Basis of Presentation

(a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited financial statements for year ended April 30, 2023, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board. These condensed interim financial statements have been amended and were authorized for refiled in accordance with a resolution from the Board of Directors on October 7, 2024.

(b) Basis of presentation

These condensed interim financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair value, as explained in the material accounting policies (Note 3). In addition, these financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Financial Statements
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2. Basis of Presentation (Continued)

(c) Reclassification of prior period figures

In order to maintain consistency with current period expense classification, comparative information on condensed interim statements of loss and comprehensive loss were reclassified.

(d) Significant judgments, estimates and assumptions

The preparation of these financial statements requires management to make judgment, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual outcomes could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Critical accounting judgments

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognized in these financial statements are as follows:

Going concern: The preparation of the financial statements requires management to make judgments and estimates regarding the ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon, but not limited to, its ability to generate sufficient cash and working capital to fund its operations and discharge its liabilities as they become due for the next twelve months.

Income taxes: Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the out come of these tax related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

3. Material Accounting Policies

The condensed interim financial statements have been prepared following the same accounting policies used in the audited annual financial statements for the period ended April 30, 2023.

The accounting policies have been applied consistently by the Company's entities and to all periods presented in these interim condensed financial statements, unless otherwise indicated.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Financial Statements
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(Unaudited - expressed in Canadian Dollars)

4. Exploration and Evaluation Asset

Option Agreement

The Company entered into the Option Agreement dated effective October 13, 2021 with Cloudbreak, pursuant to which Cloudbreak granted to the Company the option to acquire a 100% legal and beneficial interest in the Property from Cloudbreak by satisfying the following requirements:

- (a) The Company paying an aggregate of \$145,000 to Cloudbreak as follows:
 - (i) \$10,000 on October 13, 2021 (paid);
 - (ii) \$25,000 on April 13, 2022 (paid);
 - (iii) \$35,000 on or before the first anniversary (January 9, 2024) of the Company completing a transaction that results in the Company's shareholders holding shares in a "reporting issuer" (as defined under applicable Canadian securities laws) that is listed on a recognized Canadian stock exchange (a "Go Public Transaction") (January 9, 2024); and
 - (iv) \$75,000 to Cloudbreak on or before the second anniversary (January 9, 2025) of the Company completing a Go Public Transaction;

- (b) The Company incurring an aggregate of \$700,000 in mining work expenditures on the Property (or cash payments to Cloudbreak in lieu of all or any portion of such mining work expenditures) as follows:
 - (i) \$150,000 on or before the second anniversary (January 9, 2025) of the Company completing a Go Public Transaction; and
 - (ii) \$550,000 on or before the third anniversary (January 9, 2026) of the Company completing a Go Public Transaction; and

- (c) The Company issuing an aggregate of 2,700,000 Common Shares to Cloudbreak as follows:
 - (i) 700,000 Common Shares on October 13, 2021 (issued);
 - (ii) 750,000 Common Shares on or before the first anniversary (January 9, 2024) of the Company completing a Go Public Transaction; and
 - (iii) 1,250,000 Common Shares on or before the second anniversary (January 9, 2025) of the Company completing a Go Public Transaction.

The Option Agreement provides that the Company will be the operator of the Property during the option period. The Option Agreement also provides for the establishment of an area of mutual interest located up to and within three kilometres of the existing exterior boundaries of the Property, such that if a party acquires mineral interests within such area of mutual interest, the other party may elect to include such mineral interests as part of the Property for purposes of the Option Agreement.

At the exercise of the option, the Company will grant a 2% net smelter return (the "NSR") royalty to CloudBreak. The Company will have the right to purchase one-half (or 1%) of the NSR for \$1,500,000.

During the period from July 30, 2021 to April 30, 2022, the Company issued 700,000 shares with a fair value of \$35,000 and made \$35,000 cash payments to Cloudbreak.

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Notes to the Amended and Restated Condensed Interim Financial Statements
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(Unaudited - expressed in Canadian Dollars)

4. Exploration and Evaluation Asset (Continued)

Exploration and evaluation asset costs are set out below:

Balance – October 31, 2023, April 30, 2023 and April 30, 2022	\$	70,000
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The following table summarizes the exploration and evaluation expenses incurred during the periods ended:

	Three months ended		Six months ended	
	October 31, 2023	October 31, 2022	October 31, 2023	October 31, 2022
Analytical and sample related	\$ -	\$ -	\$ 4,296	\$ -
Geological consultants	190,000	-	212,975	-
Mapping and modelling	-	-	2,500	-
Project supervision	-	-	7,539	-
Supplies & other	(1,081)	-	10,705	-
Transport, travel and related	-	-	25,543	-
Cost recovery: BC METC	-	-	(5,771)	-
Total	\$ 188,919	\$ -	\$ 257,787	\$ -

Exploration and evaluation expenditures	Three months ended			Six months ended		
	Yak Property	Strathmore Property	Total	Yak Property	Strathmore Property	Total
	\$	\$	\$	\$	\$	\$
Analytical and sample related	-	-	-	4,296	-	4,296
Geological consultants	15,000	175,000	190,000	37,975	175,000	212,975
Mapping and modelling	-	-	-	2,500	-	2,500
Project supervision	-	-	-	7,539	-	7,539
Supplies & other	(1,081)	-	(1,081)	10,705	-	10,705
Transport, travel and related	-	-	-	25,543	-	25,543
Cost recovery: BC METC	-	-	-	(5,771)	-	(5,771)
Balance, October 31, 2023	13,919	175,000	188,919	82,787	175,000	257,787

5. Investment in Strathmore Claims

Strathmore Property

On September 7, 2023, the Company closed the assignment agreement (the "Assignment Agreement") with Continental Lithium Africa Development Corporation ("Continental Lithium"), a private arm's length British Columbia company, dated July 31, 2023, whereby the Company has taken assignment (the "Assignment") of all of the benefits and obligations of Continental Lithium contained in the amended Memorandum of Understanding (the "MOU") dated June 23, 2023 among Continental Lithium, Alfeus Tomas and Paulus Nghifikepunye (the "Transaction").

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5. Investment in Strathmore Claims (Continued)

The MOU contemplates a joint venture to be formed in connection with seven mining licenses located in Namibia, referred to as the Strathmore mining claims, which are located in the Cape Cross - Uis area Pegmatite Belt. On December 21, 2023, pursuant to the MOU, the Company entered into a joint venture and shareholder agreement (the "JV Agreement") with Alfeus Tomas and Paulus Nghifikepunye, whereby the parties have agreed to establish a joint venture in respect of certain mining claims, on the terms and conditions set out in the JV Agreement.

Pursuant to the Transaction, the Company issued 12,000,000 shares, at a deemed price of \$0.23 per share, and 12,000,000 common share purchase warrants in the capital of the Company, in consideration of the Assignment. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of \$0.20 for a period of two years from the date of the closing of the Transaction. The Company paid a finders' fee equal to 1,250,000 shares, at a deemed price of \$0.23 per share, and 1,250,000 finder's warrants in the capital of the Company. Each finder's warrant entitles the holder to acquire one share at an exercise price of \$0.20 for a period of two years from the date of the closing of the Transaction. The total value of shares and warrants issued were \$5,191,337 as at October 31, 2023.

In addition, the Company advanced a refundable deposit of \$100,000 (the "Deposit") to Continental Lithium. As at October 31, 2023, the balance of the refundable deposit is \$100,000.

6. Share Capital

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

On July 30, 2021, the Company issued 500,000 shares at a price of \$0.005 per share for proceeds of \$2,500.

On August 6, 2021, the Company issued 250,000 shares at a price of \$0.005 per share for proceeds of \$1,250.

On September 9, 2021, the Company issued 6,000,000 units of the capital of the Company at a price of \$0.05 per unit for aggregate gross proceeds of \$300,000 (the "Offering"). Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant is exercisable to acquire one common share at a price of \$0.10 for a period of five years from the closing of the Offering. The common share purchase warrants are valued at \$nil.

On October 13, 2021, the Company issued 700,000 shares for acquisition of exploration and evaluation assets (Note 5).

On May 19, 2022, the Company issued 185,000 shares at a price of \$0.10 per share for proceeds of \$18,500.

On May 19, 2022, the Company completed a private placement of 302,000 special warrants (each, a "Special Warrant") of the Company at a price of \$0.10 per Special Warrant for gross proceeds of \$30,200. In connection with the offering, the Company paid a total of \$2,628 in cash commissions to the broker and issued a total of 200,000 compensation special warrants (each, a "Compensation Special Warrant"). Each Special Warrant and Compensation Special Warrant will be automatically exercised for one common share of the Company without additional consideration: (a) at any time, at the discretion of the Company; (b) upon issuance by a Canadian securities regulatory authority of a receipt for a final prospectus qualifying the issuance of the Common Shares upon conversion of the Special Warrants; or (c) on that date that is 18 months from the date of issuance of the Special Warrants.

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Notes to the Amended and Restated Condensed Interim Financial Statements
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6. Share Capital (Continued)

The Company completed a non-offering prospectus (the “Prospectus”) for the purposes of the Company becoming a reporting issuer pursuant to applicable securities legislation in the province of British Columbia. On December 19, 2022, the Company received receipt for its final Prospectus, which triggered conversion of 302,000 Special Warrants and 200,000 Compensation Special Warrants into 502,000 common shares, without any additional compensation.

On March 3, 2023 and March 13, 2023, the Company closed two non-brokered private placements issuing 7,145,903 units at a price of \$0.0525 per unit for gross proceeds of \$375,160. Each Unit consists of one common share of the Company (a “Common Share”) and one transferable Common Share purchase warrant (a “Warrant”). Each Warrant will entitle the holder to acquire one Common Share of the Company at an exercise price of \$0.10 for a period of 24 months.

On September 6, 2023, the Company issued 12,000,000 shares, at a deemed price of \$0.23 per share, and 12,000,000 common share purchase warrants in the capital of the Company for the Assignment (Note 6). Each warrant entitles the holder to acquire one share at an exercise price of \$0.20 for a period of 24 months. The Company paid a finders’ fee equal to 1,250,000 shares, at a deemed price of \$0.23 per share, and 1,250,000 common share purchase warrants in the capital of the Company. Each warrant entitles the holder to acquire one share at an exercise price of \$0.20 for a period of 24 months.

Upon the Company’s shares being listed on the CSE, certain common shares held by the Company’s directors were subject to escrow. As at October 31, 2023, the Company had 603,750 common shares remaining in escrow which will be fully released over the next 26 months in semi-annual installments.

Common share purchase warrants

Common share purchase warrant transactions and the number of common share purchase warrants outstanding are summarized below:

	Number of Warrants	Weighted Average Exercise Price \$
Balance, April 30, 2022	6,000,000	0.10
Issued	7,145,903	0.10
Balance, April 30, 2023	13,145,903	0.10
Issued	13,250,000	0.20
Balance, October 31, 2023	26,395,903	

Common share purchase warrants issued as at October 31, 2023 are as follows:

Date of Expiry	Number of Warrants Outstanding	Exercise Price \$
September 9, 2026	6,000,000	0.10
March 3, 2025	4,166,142	0.10
March 13, 2025	2,979,761	0.10
September 6, 2025	13,250,000	0.20
	26,395,903	

The weighted average remaining life of the common share purchase warrants as of October 31, 2023 is 1.95 (April 30, 2023 – 2.54) years.

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6. Share Capital (Continued)

The common share purchase warrants were valued using the following Black-Scholes option pricing model using the following weighted average assumptions:

As at	October 31, 2023
Risk-free interest rate	4.62%
Dividend yield	0%
Expected volatility	136.60%
Expected life (years)	2
Forfeiture rate	0%

The expected volatility used for the Finders' warrants is based on the historic volatility of comparable companies.

7. Financial Instruments and financial risk

The Company's activities expose it to a variety of financial risks. The Company's overall business strategies, tolerance of risk and general risk management philosophy are determined by the directors in accordance with prevailing economic and operating conditions.

The Company has the following financial instruments as of October 31, 2023 and April 30, 2023:

	Categories	October 31, 2023	April 30, 2023
Financial assets		\$	\$
Cash	Amortized cost	64,278	550,558
Financial liabilities			
Accounts payable and accrued liabilities	Amortized cost	104,125	56,024

Fair value of financial instruments

IFRS 13 Fair Value Measurement establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The carrying value of cash and accounts payable and accrued liabilities has an approximate fair value due to the short-term nature of the financial instruments.

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7. Financial Instruments and financial risk (Continued)

Financial risk management objectives and policies

The Company is exposed to varying degrees to a variety of financial instrument-related risks:

Financial instruments that potentially subject the Company to a significant concentration of credit risk consists primarily of cash. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company has minimal credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its positive working capital position. As at October 31, 2023, the Company had a working capital of \$69,096 (April 30, 2023 - \$499,113).

The following table summarizes the significant remaining contracted payments of the Company's financial liabilities and capital expenditures as at October 31, 2023:

Liquidity risk (Continued)

	Total	Due by period				
		< 1 year	1 - 2 years	2 - 3 years	3 - 4 years	> 5 years
	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	104,125	104,125	-	-	-	-
	104,125	104,125	-	-	-	-

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash is at nominal interest rates, and therefore, the Company does not consider interest rate risk to be significant. As at October 31, 2023, the Company is not exposed to significant interest rate risk.

Foreign currency risk

As at October 31, 2023, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

Commodity and equity price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, particularly as they relate to base and precious metals, individual equity movements, and the stock market in general to determine the appropriate course of action to be taken by the Company.

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8. Capital Management

Capital is comprised of the Company's shareholders' equity. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital. There were no changes in the Company's approach to capital management during the period, and there were no external restrictions.

9. Related Party Transactions

The Company's related parties include key management personnel and companies controlled and/or owned by officers and directors of the Company. Key management consists of the officers and directors who are responsible for planning, directing and controlling the activities of the Company. Remuneration of key management personnel is the following:

	2023	2022
	\$	\$
Consulting fees	39,570	-
Administration and accounting	9,166	8,000
	48,736	8,000

As at October 31, 2023, \$15,354 (April 30, 2023 - \$18,091) is owed to Fehr & Associates, its related company and the director, and is included in accounts payable and accrued liabilities. The amount owing is unsecured, non-interest bearing and have no specific terms of repayments.

These transactions are in the normal course of operations and have been valued in these financial statements at their estimated fair value amounts.

10. Segmented information

The Company operates in one reportable segment, being the exploration and evaluation of mineral properties. All the Company's exploration and evaluation assets are located in Canada.

11. Subsequent event

Subsequent to October 31, 2023, the Company entered into a joint venture and shareholder agreement (the "JV Agreement") with Alfeus Tomas and Paulus Nghifikepunye, whereby the parties have agreed to establish a joint venture in respect of certain mining claims, on the terms and conditions set out in the JV Agreement. The JV Agreement includes seven mining claims located in Namibia, referred to as the Strathmore mining claims, which are located in the Cape Cross - Uis area Pegmatite Belt (CUPB). The CUPB stretches 115km from Cape Cross in the West to Uis in the East and can be as wide as 24km. The JV Agreement specifies that certain cash payments and share issuances need to be completed upon achievement of specified milestones. (note 6)

Subsequent to October 31, 2023, the Company has entered into a non-binding letter of intent with 1442160 B.C. Ltd., pursuant to which it proposes to explore a potential transaction involving the acquisition of the securities of a corporation, which holds an interest in certain hard rock lithium assets located in South Africa.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Financial Statements
For the six months ended October 31, 2023 and 2022
(Unaudited - expressed in Canadian Dollars)

12. Restatement

Subsequent to issuance of the previously reported financial statements for the six months ended October 31, 2023 (filed on SEDAR+ on December 28, 2023), management identified the valuation of equity investment in Strathmore Claims was understated by \$5,191,337, Amounts advance for property acquisition of \$2,951,836 should be reclassified as investment in Strathmore Claims. This adjustment also resulted in an increase in share capital \$287,500 and reserve of \$1,952,001.

The financial statements of the Company as at October 31, 2023 and for the six months ended have been restated and the following table summarizes the effects of the adjustment described above:

	Previously reported	Adjustment increase (decrease)	Restated
	\$	\$	\$
<u>As at October 31, 2023</u>			
Statement of financial position			
Advance for property acquisition	2,951,836	(2,951,836)	-
Equity investment in Strathmore Claims	-	5,191,337	5,191,337
Share Capital	(3,518,154)	(287,500)	(3,805,654)
Reserves	(191,836)	(1,952,001)	(2,143,837)

Certain notes to the Amended and Restated Condensed Interim Financial Statements have been updated to be consistent with the presentation of the annual consolidated financial statements as at April 30, 2024 including basis of presentation and critical accounting judgments and estimates.